

Exhibit 33

21624 Shkreli.Martin 022414.txt

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1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2 In the Matter of:

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3 MSMB CAPITAL MANAGEMENT LLC) File No. NY-8799

4)

WITNESS: Martin Shkreli

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6 PAGES: 237 through 426

7 PLACE: Securities and Exchange Commission

8 3 World Financial Center

New York, New York 10281

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10 DATE: Monday, February 24, 2014

11 The above-entitled matter came on for investigation,
pursuant to notice, at 9:59 a.m.

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1 APPEARANCES:

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3 On behalf of the Securities and Exchange Commission:

4 ERIC SCHMIDT, ESQ.

5 GERALD GROSS, ESQ.

6 RICHARD PRIMOFF, ESQ.

7 Securities and Exchange Commission

8 3 World Financial Center

9 New York, New York 10281

21624 Shkreli.Martin 022414.txt

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11 On behalf of the Witness:

12 MICHAEL ROSENSAFT, ESQ.
13 Katten Muchin Rosenman LLP
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15 New York, New York
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0239

1 C O N T E N T S

2 WITNESS:	EXAMINATION
3 Marty Shkreli	244
5 EXHIBITS: DESCRIPTION	IDENTIFIED
6 23 Subpoena to Martin Shkreli	243
7 24 Subpoena dated November 25, 2013	244
8 25 Response from Katten Muchin	244
9 26 Private offering memorandum	264
10 27 Limited partnership agreement	266
11 28 Settlement agreement, 9/05/12	267
12 29 Settlement Agreement Amendment No. 1	267
13 30 Settlement Agreement Amendment No. 2	267
14 31 Letter from Michael Rosensaft dated	282
15 September 29, 2013	
16 32 MSMB Capital account statements	301
17 33 MSMB Capital Management limited	302
18 partnership agreement	
19 34 Retrophin representation letter	318
20 35 MSMB Capital activity statements	320
21 36 8-K dated December 12, 2012	380
22 37 Agreement to purchase S. Richardson	
23 limited partnership	405
24 38 Agreement to purchase B. Saunders	
25 class A common units	

0240

1 C O N T E N T S (Cont'd)

21624 Shkreli.Martin 022414.txt

7 Q And on September 20, 2012 the company amended
8 his May 2012 private offering to drop the per share price
9 from 80 to \$25. Is that right?

10 A Correct.

11 Q So eleven days after the date of this e-mail
12 the valuation of the company went down from 80 million to
13 something quite a bit less.

14 A Oh yes, Retrophin almost went bankrupt in this
15 period.

16 Q When did you start the process to amend the May
17 2012 private placement?

18 A I don't know, I don't remember.

19 Q How long would that process have taken?

20 A I don't know, it probably would be pretty
21 quick.

22 Q The same day?

23 A Maybe, I don't know. It's hard for me without
24 a full information set to be able to answer the question.

25 MR. SCHMIDT: Who purchased Retrophin units at
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1 the \$80 million price?

2 THE WITNESS: Outside investors, a handful, it
3 wasn't just MSMB.

4 MR. SCHMIDT: Do you remember anyone
5 specifically?

6 THE WITNESS: Steve Richardson did but I don't
7 remember exactly. I have the list, it's on my desk.

8 Q But is it fair to say -- is it your testimony
9 in your mind you checked the company's valuation at 80
10 million from the time of the May 2012 private placement up
11 to the point where you amended the offering to \$25 per
12 share?

13 A That's actually a very important point which
14 I'm thankful for. I don't think the funds were carrying
15 it at 80 or ever did even though the last sale was 80, I
16 think I played it a little more cautiously than that which
17 ended up working to my advantage. Again this is all sort
18 of a moot point because the stock was soon to be freely
19 trading and the market would make up its own mind but I
20 don't think I ever went to 80 in either fund as the
21 carrying cost. I know for sure MSMB Healthcare never
22 carried it at 80 but I could be wrong, I don't know.

23 Q I'm not sure I understand because what you say
24 in the letter or the e-mail rather is Retrophin is
25 currently valued at a modest \$80 million. Who is value

21624 Shkreli.Martin 022414.txt

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1 are you reporting?
2 A That's a factual statement. Retrophin is
3 currently valued at a modest 80 million to me means by
4 reading that I should be interpreting that and I think
5 anyone would the value that investors, outside investors
6 are placing in the company is 80 million.

7 Q That's based on the private placement offering
8 from May 18, 2012.

9 A Whatever the last sale was.

10 Q When was the last sale?

11 A Well there are continuous sales, so I wrote
12 this knowing that the most recent sale of the stock was at
13 80 million.

14 Q I'm just asking you when that was.

15 A I don't have it on me, we have a deep schedule
16 of every day, every investment, every signature. We
17 haven't provided that to you, we'd be happy to. At the
18 time I wrote this the last sale must have been 80. I
19 don't remember anything different and then we sort of
20 began --

21 MR. SCHMIDT: Do you know how much stock you
22 sold at 80?

23 THE WITNESS: It wasn't a lot, I know that.

24 Q With whom did you discuss, if anyone, amending
25 the private placement in September 2012?

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1 A To 25?

2 Q Yes.

3 A Well obviously our attorney at Katten Muchin,
4 Evan Grable, who really took care of all these documents,
5 they didn't edit them or touch them at all at this point,
6 so I would imagine he would be one of the people involved
7 in that.

8 Q I'm reading from the 8-K of the financial
9 statement in Exhibit No. 36, it says that this decision
10 was taken as a result of the corporate resolution of the
11 company's board. What's the date of that board
12 resolution?

13 A I haven't the faintest idea. I'm not a
14 personal computer, I can't remember these dates.

15 MR. SCHMIDT: Who was on the company's board
16 at that point?

17 THE WITNESS: Myself, Steve Richardson, Steve
18 Aslagi, both gentlemen are still on our board, I think Ed

21624 Shkreli.Martin 022414.txt

19 Sullivan even briefly appeared on the board but yes, this
20 was a time, if I may add to the record --

21 MR. SCHMIDT: Sure, go ahead.

22 THE WITNESS: This was a time when Retrophin
23 was undergoing a very strange transaction with a very,
24 very large pharmaceutical company called Valiant
25 Pharmaceuticals, we were also undergoing a change in our

0396

1 CEO. As you can see, we just hired Steve Aslagi to
2 replace me, we would end up having to have me replace
3 Steve Aslagi and return as CEO of Retrophin. This was a
4 tumultuous time for us, like I said a minute ago we almost
5 went bankrupt during this time and we made it out alive as
6 a public company and now it's a forging public company but
7 this September -- I think it started in September but from
8 September to January were maybe the worst four months of
9 my life trying to get Retrophin public legally and
10 efficiently and to get it funded at a valuation that was
11 reasonable and we accomplished that but this was set up
12 like most things, this was the beginning of the end
13 writing the self-congratulatory e-mail like this
14 ironically. Thankfully we've achieved everything we ever
15 thought we would and then some but this was a little
16 embarrassing to look at a year and a half later but this
17 was not -- this pressed us to a very tough next three or
18 four months.

19 Q What do you mean by embarrassing?

20 A Well again the tone of this e-mail was very
21 congratulatory, things felt really good and literally
22 within weeks the markets became very cold to Retrophin and
23 our ability to go public. It was kind of an interesting
24 story actually. Our attempt to go public was predicated
25 on this transaction with Valiant and the investors -- we

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1 were actually only soliciting institutional investors at
2 that time and the institutional investors really didn't
3 like this \$80 million number at all and in the course of
4 negotiating -- we thought the Valiant transaction was so
5 lucrative that we should take this step down in our
6 valuation just to get the money because the Valiant
7 transaction would have created a fortune for all the
8 shareholders and that this temporary allowance to let
9 these institutional investors in at a low price was going
10 to be worth it.

11 Well once you go back you kind of can't -- once